(b) whether according to him, all such contributions should be eligible for cent per cent tax exemptions; and

(c) if so, what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) The CII sent pre-Budget and post-Budget memorandum like other various representative bodies. No such proposal has been made in their memoranda. However, similar suggestions have been received from other quarters.

(b) and (c) The matter has been examined and it has not been found feasible to grant 100% exemption to donations made to political parties.

Balance of payment

† 2520. PROF. M. M. AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) the actual position of balance of payment of the country as on date;

(b) whether it is a fact that the balance of payment of our country is in deficit; and

(c) if so, the effective steps being taken or proposed to be taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) India's balance of payments (BOP) position has shown distinct improvement in recent years and remains confortable. The deficit in the current account of BOP, which was as high as 3.1 per cent of GDP in 1990-91, narrowed down to only about 1.0 per cent each in 1998-99 and 1999-2000 and further to just 0.5 per cent in 2000-01. Net capital inflows more than off-set the deficits in the current account. As a result, foreign exchange reserves (including gold & SDRs) had increased by US $5.55 billion in 1999-2000 and US $4.25 billion in 2000-01. They have increased further by US $1.45 billion in the current financial year upto July 31,2001.

(c) The country's balance of payments position is monitored closely both by the Government and the Reserve Bank of India and appropriate measures are taken, when necessary, to increase the growth of exports and invisible receipts and to enhance the level of non-debt creating capital flows, particularly of foreign

† Original notice of the question was received in Hindi.

investments, so as to help maintain a viable balance of payments position and an adequate level of foreign exchange reserves.

Insurance scheme for persons affected by natural calamities

† 2521. PROF. M. M. AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether any insurance scheme has been formulated by Government to provide insurance protection to the poor people who have lost their families/ business by the disastrous natural calamities like flood and cyclone;

(b) if so, the details in this regard; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) Life Insurance Corporation of India (LIC) is implementing an insurance scheme called "Janashree Bima Yojana" which provides life insurance protection to rural and urban people below the poverty line and also marginally above the poverty line against natural deaths including deaths due to natural calamities and death and disability due to accident. Similarly, there are various insurance schemes, operated by the four nationalised general insurance companies, which provide protection to poor people and their property against unexpected accidental losses due to natural calamities. Some of these schemes are as under—

1. Handloom Weavers Package Policy
2. Handicraft Artisans Package Insurance Policy
3. Schemes for Cattle Insurance
4. Janata Personal Accident Insurance Policy
5. Plantation Insurance
6. Gramin Accident Policy
7. National Agricultural Insurance Scheme
8. Janata Cancer & Accident Policy
9. Kamdhenu Insurance Scheme
10. Rajrajeshwari Manila Kalyan Bima Yojana
11. Bhagyashree Child Welfare Scheme

† Original notice of the question was received in Hindi.